



FY23-15

EMPLOYER BULLETIN

TRS SUPPLEMENTAL SAVINGS PLAN UPDATE

December 2022

SSP Amendment and Restatement

The Board of Trustees of the Teachers' Retirement System of the State of Illinois (TRS) recently approved amendments to the TRS Supplemental Savings Plan (SSP). The amended and restated SSP is provided for your reference [at this link](#).

The SSP amendments:

- provide for separate accounting for employer matching contributions and employer discretionary non-elective contributions;
- revise the definition of "Severance from Employment" and make related clarifying changes to address when a member terminates employment and becomes re-employed, but not in the capacity of a teacher who is a full-time or part-time contractual employee eligible to participate in the SSP; and
- clarify employer matching contribution and vesting-related provisions to address when a participant elects to receive a distribution of automatic enrollment contributions within 90 days of the participant's initial contribution.

NOTE: Employees who elect to withdraw their automatic contributions within the 90-day period will forfeit any employer matching contributions made with respect to such automatic contributions, in accordance with the Internal Revenue Code. **Forfeited employer matching contributions will remain in the SSP and be used to pay plan-related expenses. To prevent the forfeiture of employer matching contributions, employers may wish to wait to begin making matching contributions under the SSP only after the 90-day permissible withdrawal period has concluded.** Employers should consider this information as they negotiate their employment-related contracts.

SSP Contribution Limits for 2023

The IRS recently announced that the maximum amount that can be contributed to participants' 457(b) plan accounts will increase for calendar year 2023. IRS limits include both employee and employer contributions for all 457(b) plans the employee participates in, even if the plan is not sponsored by TRS. Employers should monitor limits for those 457(b) plans they maintain. [TRS SSP contribution limits can be found at this link](#).

(more)

The new calendar year 2023 limits are:

- \$22,500 contribution limit for participants under the age of 50.
- \$7,500 additional “catch-up” contribution limit for participants who will turn 50 during the calendar year, or older.
- Up to \$45,000 for participants who are approved for Special Catch-Up.

